

**GOVERNMENT OF ANDHRA PRADESH
ABSTRACT**

Industrial Promotion – Extension of certain incentives under Industrial Investment Promotion Policy (IIPP) 2005-2010 to M/s ITC Limited, for their proposed expansion of the existing Paperboards & Specialty Paper manufacturing unit situated at Sarapaka Village, Burgampahad, Mandal, Khammam District – Sanction - Orders- issued.

INDUSTRIES & COMMERCE (IP) DEPARTMENT

G.O.Rt.No. 633

dated: 20 -10-2009

Read the following:

1. From the Commissioner of Industries, A.P. Hyderabad SFS No. 15-1-8-0689, Dated. 07.08.2008.
2. Minutes of the State Investment Promotion Committee (SIPC) Meeting held on 20.02.2009.
3. Minutes of the State Investment Promotion Board (SIPB) Meeting held on 26.08.2009.

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ORDER:-

In the reference 1st read above, the Commissioner of Industries, Andhra Pradesh, Hyderabad has reported that M/s. ITC Limited proposes to expand its existing Paper Boards and Specialty Paper Manufacturing unit situated at Sarapaka Village, Burgampahad Mandal, Khammam District with an approximate investment of Rs.1026 Crores and likely to create employment to 285 persons. The New investment include pulp manufacturing unit with a capacity of 122500 TPA and Paper manufacturing facility with a capacity of 100000 TPA together with supporting infrastructure such as captive co-generation plant etc., The industry qualifies as Mega Project and line of activity Paper and Specialty paper is also eligible for incentives under Industrial Investment Promotion Policy 2005-2010 and requested the Government to take a view on the requests of the company.

2. In the references 2nd read above, State Investment Promotion Committee (SIPC) has discussed the proposal of the Commissioner of Industries, Andhra Pradesh, Hyderabad and decided to place the matter before the State Investment Promotion Board (SIPB).

3. In the reference 3rd read above, the State Investment Promotion Board (SIPB) in its meeting held on 26.08.2009 has recommended to extend the following benefits to M/s ITC Limited, Sarapaka, Khammam District for its expansion.

- i) 50% reimbursement of VAT & CST for a period of 5 years.
- ii) All other benefits as per IIPP 2005-10, which include:
 - a) Power cost reimbursement @ Rs.0.75 per unit for 5 years from the Date of commencement of commercial production.
 - b) 100% reimbursement of Stamp duty and transfer duty.
 - c) 50% of Infrastructure Assistance under IIDF limited to Rs.1.00 Crore wherever applicable.
 - d) 50% subsidy on the expenses incurred for quality certification limited to Rs.1.00 Lakh.
 - e) 25% subsidy on cleaner production measures limited to Rs.5 Lakhs.
 - f) 50% subsidy on the expenses incurred for patent registration limited to Rs.5 Lakhs.

P.T.O.

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4. Keeping in view of the above and also in the light of the recommendations of the State Investment Promotion Board (SIPB), Government after careful examination, hereby extend the incentives as mentioned at para (3) to M/s ITC Limited, for their proposed expansion of the existing Paperboards & Specialty Paper manufacturing unit situated at Sarapaka Village, Burgampahad, Mandal, Khammam District under Industrial Investment Promotion Policy (IIPP) 2005-2010 from the date of commencement of commercial production of the expansion unit.

5. The Commissioner of Industries, Andhra Pradesh Hyderabad shall take necessary action in the matter accordingly and intimate the status of progress of work from time to time to Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**B. SAM BOB,
PRINCIPAL SECRETARY TO GOVERNMENT AND
COMMISSIONER FOR INDUSTRIAL PROMOTION**

To

The Commissioner of Industries, Andhra Pradesh, Hyderabad

M/s ITC Limited, through the Commissioner of Industries, Andhra Pradesh, Hyderabad.

The Chairman & Managing Director, Andhra Pradesh Industrial Infrastructure Corporation, Hyderabad.

The District Collector, Khammam

Copy to

The Accountant General, Andhra Pradesh, Hyderabad.

The Irrigation & CAD Dept. /The EFS&T (Forest) Dept.

The Energy Department.

The Revenue (CT) Department.

The Commissioner of Commercial Taxes, Hyderabad

The Chairman & Managing Director, APTRANSCO., Hyderabad

The Managing Director, APCPDC Ltd., Hyderabad

The General Manager, District Industries Centre, Khammam District.

The Finance (Exp.I&C) Department.

P.S. to Minister(Major Industries)

P.S. to Spl. CS, Rev. Dept./P.S. to Prl. Secy. to Govt., Rev.(CT) Dept.

P.S. to Addl. Secy. to CM/P.S. to Prl.Secy. (Irrigation) Dept.

P.S. to Spl.CS, Energy Dept./P.S. to Prl. Secy. & CIP/SC/SF

//Forwarded :: By order//

SECTION OFFICER